

Below is just one of many examples that have come to CHAT's attention of improprieties in the Road Home Program. Most of those examples are presented by the more than 900 responses to our online survey (<http://chatforfairness.org>), by CHAT members at our meetings (see <http://chat.thinknola.com> bottom of the page for dates), by talking to neighbors, or by emails that we receive.

This example is from the newspaper but the columnist, Jarvis DeBerry, lives on the same block as one of the core CHAT members. By comparison of the houses on the same block, the pre-storm value of his house is unlikely to be more \$130,000. Yet he got a grant for \$150,000 and expected a grant of only \$53,000!

<http://www.nola.com/timespic/stories/index.ssf?/base/News/1200810112239510.xml&coll=1>

Note that the document posted at our website under KPMG review about highlights from the KPMG Program Review describes the ability of **more than 140 members of the Dispute Resolution team from ICF to override values or application data in the ICF grant management program without the employee stating a comment or reason for the change.**

Emphasis added in red.

Man bites Road Home

Sunday, January 20, 2008

Jarvis DeBerry

"If you pick up a starving dog and make him prosperous, he will not bite you. This is the principal difference between a dog and a man." -- Mark Twain

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I could hardly believe it when my phone finally rang. The woman on the other end introduced herself as Kristin, an employee of HGI Catastrophe Services. She was calling to schedule my appointment to close on my Road Home grant, she said.

How did Jan. 18 work for me? she asked. Fine, I said, working hard to keep my voice from betraying my excitement. I took the earliest appointment available. I'd show up at the Clearview Mall that day at 8 a.m.

Then she said, **"We show here that you're supposed to receive \$150,000," and she asked me if that sounded about right.**

I'm not going pretend that the truth passed my lips easily, but I did manage to say it: "Uh, I thought it was 53." But she wouldn't hear of it. Her documentation showed \$150,000, she said, and certainly I wouldn't mind that.

My colleagues noticed my disbelief when I got off the phone. One suggested that, given all the critical columns I've written about the Road Home, perhaps somebody in the program thought overpaying me would shut me up. Then that person doesn't know me very well, I said, and I cited the Mark Twain quote that appears above. Overpaying me by 180 percent isn't going to make me think fondly of the Road Home. It will only validate my beliefs that the program has been horribly mismanaged.

Legislative Auditor Steve J. Theriot studied 80 Road Home grants last summer and reported in September that 30 of them had been incorrectly calculated. Nineteen applicants were overpaid a total of \$166,871, Theriot found. Eleven were underpaid a total of \$29,103.

Not surprisingly, officials with the Office of Community Development, the state agency that oversees the program, were defensive and accused Theriot of overstating the problem. As best OCD officials could tell, looking at those same 80 cases, there were only eight incorrect awards, including \$81,900 in overpayments and \$4,200 in underpayments.

OCD Director Suzy Elkins said, "Some recommendations (by the auditor) indicate a misunderstanding of how the program was designed, especially with respect to program policies and urgency to provide homeowners with their compensation."

I applied for Road Home funds in November 2006, and on Friday, I was handed closing documents printed with that strangely high amount. Fourteen months from start to finish, and a compensation grant that's almost \$97,000 more than the amount I was promised in April. I doubt urgency's to blame.

If the figure I was given back then is correct -- and it seems to me that it is -- my overpayment is larger than the total OCD says it found looking at 80 cases. The \$150,000 compensation grant is the maximum award possible.

Meanwhile, there are homeowners who are now being told they will get nothing from Road Home, contradicting previously received golden letters that promised money was coming their way. I can't in good conscience advocate for those homeowners if I stay quiet about the extra money steered my way.

At the same time, I didn't want to make so much trouble that I delayed my closing. After all, my case could end up in one of Road Home's "urgent" piles, and I certainly didn't want that. **So my promise to myself was that I would show up Friday morning, answer all questions honestly, and if somebody forced extra money into my hand, do what I'm doing now: expose the program.**

A guy named Tom guided me through the closing process. At one point he said, "You don't plan on appealing this amount, do you?" I said I wasn't sure and that actually, I thought I was getting too much. Maybe Tom didn't hear me. He responded, "Oh, you can't appeal. You're getting the full amount," and he checked the appropriate box and had me sign the page.

I will have to refund any overpayment to the Office of Community Development. I signed a page to that effect. So now I'll get to see how long it takes those officials to move when they're the ones trying to get paid.

I wonder if they'll act "urgently." I hope so. I'd like for that overpayment to earn some interest.

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Jarvis DeBerry is an editorial writer. He can be reached at (504) 826-3355 or at jdeberry@timespicayune.com.